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National
Home Center News ®

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Evans' bank lenders plan confirmed by court

Company should clear Chapter 11 by fall

By John Caulfield
NHCN staff editor

MIAMI — It's all over but the closing credits.

Sixteen months after it hid under the covers of Chapter 11, Evans Products Co. will now begin to reorganize under a plan that was confirmed on July 2 by U.S. Bankruptcy Judge Thomas C. Britton.

The plan was devised by Evans' 22 bank lenders and overwhelmingly approved by its trade creditors,

Britton unequivocably confirmed the plan as it was presented in the lenders' disclosure statement, and granted approval to the 11 pages of modifications to that statement that were filed by the banks with the Court on June 19.

A hearing has been set for July 17 to consider motions filed in opposition to this confirmation. Robert Mark, an attorney for Evans from the Miami firm Stearns, Weaver, Miller, Weissler, Alhadeff & Sitterson, expected the company to appeal.

"I anticipate that, at this hearing, we will actively challenge those sections of the Order we've determine are inappropriate," he said.

Disputed points could include the value placed by the banks on new common stock to be issued in the company, and the way remuneration to unsecured creditors of Evans Products Co. was increased in the modifications.

The reorganization plan has targeted Sept. 30 as its Effective Date for the company to come out of Chapter 11, soon after which the banks, vendors and other creditors will be paid off in cash, stock and notes whose value is projected to equal 79% of the $649.7 million in total allowed debt claims filed against the company by all creditor classes.

The confirmed plan calls for the company and seven of its subsidiaries under bankruptcy protection to be merged to-

(Continued on page 85)

Falling peso deals hard times to border areas

By an NHCN staff editor

NATIONAL REPORT — Retailers on the U.S.-Mexican border are facing hard times as the value of the peso dropped 184% from 1985 to June 1986. During the worst week of devaluation last month the exchange rate had risen to 727 pesos to the dollar from 256 pesos in June 1985.

"The last few weeks with devaluation have hit us very hard, business came to almost a stand still, now it is beginning to pick up," said Ike Epstein, president of Dr. Ike's True Value, the two unit Laredo independent. However, Epstein still hopes that business will only be off between

(Continued on page 85)

Somerville Lumber embarks on stepped-up expansion plan

By Elizabeth Brent
NHCN staff editor

SOMERVILLE, Mass. — Somerville Lumber will speed up its expansion plans to open between 10 and 15 stores in the New England market by 1990, according to Harold Cohen, the chain's president.

"We are thirsty to open new stores, possibly adding three or four in 1987," said Cohen.

Only four years ago, the 30-year-old operation opened its second store, in Westboro, Mass. Following four years of slow expansion and refinement, the company has shown that it can duplicate the strong

(Continued on page 86)

Somerville Lumber's new store in Pelham, N.H., features an expanded offering of bath products and, due to the lack of a sales tax in the state, has been attracting customers from neighboring Massachusetts. NHCN photo

Industry stocks record highest gains in 3 years

By Phillip M. Perry
NHCN staff editor

NATIONAL REPORT — Home center stocks enjoyed their biggest gains in three years during the first half of 1986. Despite the rapid run-up, which left many stocks trading near 52-week highs, analysts said prices of the issues should continue to rise.

Since the first of this year, the stocks of seven representative home center chains increased at an average rate of 44%. Payless Cashways achieved the best performance, increasing by 73% to 26¾. The Home Depot rose 62% to 20⅞, and Pay 'N Pak 55% to 18⅝. Lowe's increased

(Continued on page 85)

Additional space scrubbed for August hardware show

By Gary S. Ruderman
NHCN staff editor

CHICAGO — The Metropolitan Fair and Exposition Authority dropped the other shoe late last month, scratching use of the McCormick Place Expansion's upper floor for the National Hardware Show here August 10 through 13.

In late April, the Authority cancelled use of the 155,000-sq.-ft. lower floor due to construction delays.

"It was painfully obvious that we can't make up the time we've lost," said Andrew Martinez, spokesman for McCormick Place.

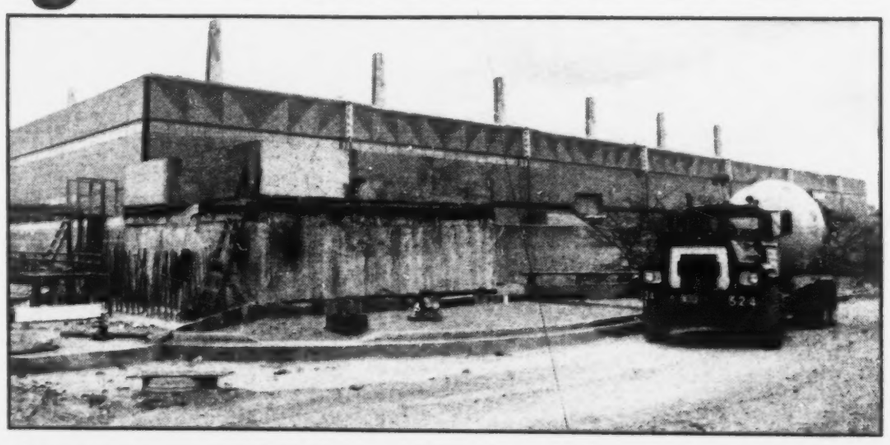
The decision to cancel the contract for use of the 379,000-sq.-ft. upper floor came June 27th, just minutes after Cahners Exposition Group officials were told by telephone that a lingering strike by sheet metal workers was over, according to Julie Prazmark, Cahners vp and show manager.

Prazmark described herself as "stunned" and "flabbergasted."

"The building management kept telling us 'hang in there, hang in there,'" said Prazmark. "The building management kept saying 'it's going to be ready' even when we lost the lower level."

"I think the McCormick Place people were as open and direct as they could have been," said William Farrell, president of the American Hardware Manufacturers Assn. (AHMA). "There were delays and we were always advised. I do feel that the city

(Continued on page 86)



Citing construction delays, Chicago's Metropolitan Fair and Exposition Authority has scratched the use of McCormick Place's upper floor for the National Hardware Show in August. NHCN photo

INSIDE

The Forces Reshaping American Home Centers
Consumer Attitude Study: Home improvers voice great enthusiasm about shopping in home improvement centers. But they also fault obstacles and displays that 'short circuit' the excitement and pleasure of shopping in those stores. **21**
How home improvement stores stack up **24**
What DIYers like and dislike **36-50**
The failure of merchandise displays . **51-62**

NEWSBREAKS

WEYERHAEUSER WORKERS REJECT PACT: By a vote of 420 to 6, a group of workers striking the Weyerhaeuser Co. rejected the manufacturers new contract offer June 30.

WICKES CONSOLIDATES GRACE BUY: Wickes Cos. plans to cut a president, Sean Lee, and four vps from Grace West as it digests its Grace acquisition, which was finalized June 29. Also, 14 BE and Oles stores will be closed and Wickes chairman Sanford Sigoloff will be acting president of both chains.

INDUSTRY UPDATE

Wickes acquires 108 Grace units

SANTA MONICA, Calif. — Wickes Cos. said it completed its acquisition of W.R. Grace's 21-unit Orchard Supply Hardware and 87-unit Grace Home Centers West operations on June 29. The deal reportedly cost Wickes $180 million cash and raises its California home center count to 134 of which more than 100 are located in southern California.

HomeClub opens 5 whse. units

FULLERTON, Calif.— HomeClub scheduled June 26 for a single-day grand opening of five 100,000-sq.-ft. warehouses in California, raising its chainwide count to 24 outlets.

Four of the warehouses are in the southern California cities of City of Industry, Los Angeles, North Hollywood and Riverside. The fifth is in the northern California city of San Pablo. The units are retrofitted Zody's stores.

On July 24, HomeClub expects to open a 100,000-sq.-ft. build-to-suit unit in the Arvada suburb of Denver. And in August, the chain will open units in Stanton, Calif., and in Aurora, Colo., its second Denver-area store.

By year's end, HomeClub expects to have between 28 and 30 stores opened.

Pay 'N Pak in Indio,Calif

KENT, Wash. — Pay 'N Pak will open a 65,000-sq.-ft. warehouse outlet in an ex-Zodys discount store in the California desert community of Indio, located about 20 miles southeast of Palm Springs in Riverside County.

The outlet, slated to debut before year-end, will be the southern most location for the 106-unit chain.

The company said it had 38 warehouses in operation at the end of its first quarter ended May 31 and would convert nine more units to its warehouse format by the end of the fiscal year.

With the addition of the new Indio outlet, Pay 'N Pak will have 48 warehouse-format units in operation by fiscal year-end.

Separately, a company news release said Pay 'N Pak was closing its Denver, Colo., distribution center in the aftermath of studies which "showed that the company could service its Midwest stores more economically from its Kent, Wash., distribution center."

Pergament opens whse. unit

PEEKSKILL, N.Y. — Pergament opened the first of a new generation of 70,000-sq.-ft. warehouse home centers here on June 25. The store, the company's 45th and first warehouse style unit outside the Long Island market, is modeled after Pergament's first 70,000-sq.-ft. store opened at the end of 1984, while incorporating merchandising ideas unveiled in a 40,000-sq.-ft. store that opened in April.

Rule bans employee polygraph

WASHINGTON — The Senate Labor Committee voted 11 to 5 on June 25 to approve a bill banning virtually all lie-detector tests administered by private employers. A similar bill passed in the House in March. Business groups, who want to exempt certain industries from the ban, are expected to resume the fight when the bill goes to the Senate floor.

Price losers outnumber gainers

NEW YORK — For the second two-week period in a row, price losers outnumbered gainers for the 14 days ended June 27. Thirty-one home center issues declined, 21 gained and four were unchanged. The Home Center Retailers Index, meanwhile, remained at its 52-week high of 142, meaning those companies' aggregate market value was nearly 50% above their value a year ago.

The top price gainer was distributor Palmer G. Lewis, up 15.4% to $9.38. National Hardgoods, a New England hardware store chain, was up 14.5% to $8.88. Homecrafters Warehouse, in Chapter 11, plunged to a new 52-week low of 63¢ per share.

See financial tables, page 84.

21 Gainers

Unchanged 4

Losers 31

If you spot home center industry news, call the *NHCN* NEWS HOTLINE:

1-800-NHC-NEWS

(1-800-642-6397)

Available throughout the U.S., except New York State and Alaska: 212-371-9400, 9-5:30 (E.S.T.).

Jaffee assures shareholders National is on comeback road

By Brad Altman
NHCN staff editor

IRVINE, Calif. — Revealing National Lumber has cut back its work force and will trim its advertising budget this year, president & ceo Melvin Jaffee told shareholders at the annual meeting held here that he sees "the start of a turnaround, although there will be bumps in the road ahead."

Jaffee hinted that the 19-unit chain might have a profitable second quarter, and he promised a "big improvement" over the first quarter's $582,029 loss on a 4% sales increase to $32.6 million (*NHCN*, June 30).

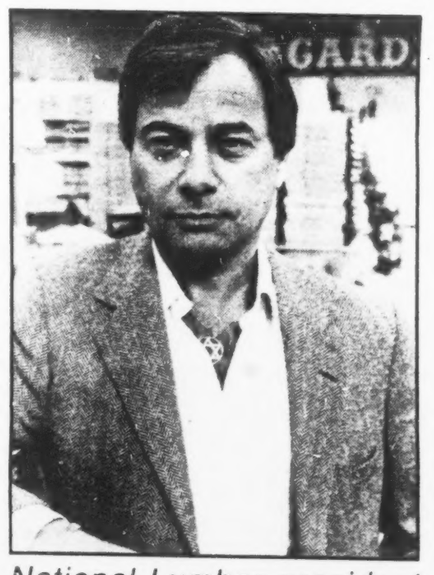
He said chainwide sales were up 17.5% in May and were "continuing that way" in June.

National Lumber's financial woes stem from an expensive store-building expansion program. Four stores opened in the last half of 1985 and the company ended the year with 1,500 employees, now down to 1,314 employees "as of yesterday," Jaffee said at the June 19 meeting at the Registry Hotel.

More employees will be cut, Jaffee said, including an unspecified number of temporary workers and consultants at the retailer's Fountain Valley headquarters who will be leaving in the near future.

The company also is planning to decrease its advertis-

(Continued on page 4)

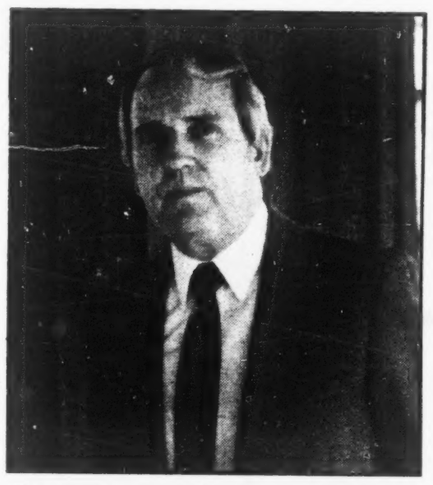


National Lumber president Melvin Jaffee feels the start of a turnaround for the company, after undertaking an expansion program. NHCN photo

Lloyd's Anglin resigns as pres. to join window treatment mfg.

By an NHCN staff editor

DANBURY, Conn. — Richard R. Anglin has resigned as president of the Lloyd Home & Building Centers chain, effective July 1.



Richard Anglin has resigned as president of the Lloyd Home & Building Center chain, effective July 1. NHCN photo

He is leaving Lloyd to to become president of Robertson Factories, a manufacturer of customized window treatments based in Taunton, Mass. Anglin said he will also be a principal in the company.

"It was very difficult for me to decide to leave Lloyd after all we've done, but I saw a chance for executive and financial advancement that probably would not have been available to me at Lloyd," he told *NHCN* a few days before his official departure.

A spokesperson for the company said that American Maize Products Co., Lloyd's parent, is currently engaged in searching for a replacement for Anglin. Several calls placed to the office of William Ziegler, American Maize's chairman, for comment on Anglin's resignation were not returned.

Anglin, 48, joined Lloyd's in March 1983 after nearly five years with Sherwin-Williams, where he was vp-operations of the paint manufacturer's stores division.

Sales improved

Under his stewardship, Lloyd has grown in sales by 100% to $100 million, and to 35 units from 22 at the end of 1982.

Anglin identified as his main accomplishment the conversion of Lloyd from a loose collection of contractor-oriented lumberyards into a chain aimed more at the DIY retail market. Last year, Lloyd's got 68% of its business from retail transactions.

Eagle launches new service to reverse membership shortfall

By Phillip M. Perry
NHCN staff editor

COLUMBUS, Ohio — Schlage Lock, one of the earliest members of the Eagle automatic ordering system, left the service June 1, citing a lack of sufficient orders received from its distributors.

The move by Schlage symbolizes the larger challenge Eagle faces in getting the industry enthused about electronic ordering.

When the American Hardware Manufacturers Association first introduced Eagle (and subsequently spent an estimated $800,000 to get it functioning), the system was touted as the wave of the future for the hardware industry. Bypassing the mails and the telephone when placing orders, went the reasoning, would facilitate reductions in inventory and thus improve profitability.

Membership goals falling off

Like Schlage, however, other system members are complaining that Eagle has had sufficient time to attract a large following, but that it hasn't done so.

Indeed, the level of enthusiasm exhibited by the hardware industry has fallen far below what Eagle had anticipated. In July of 1983, the system had signed 80 vendors and 51 distributors. At that time, Eagle anticipated getting a total of 200 participants by the end of that year.

Yet, 24 months later, in June of 1985, the system had gathered only 210 members—147 vendors and 63 distributors.

And over the following 12 months, response from the industry remained less than thrilling. By the end of last month, the total number of members had risen to only 245. Most recently, Savogran, the Norwood, Mass.-based manufacturer, left the system. And the number of distributors had fallen to 55.

"The growth process is not coming along as fast as the industry thought it would," ac-

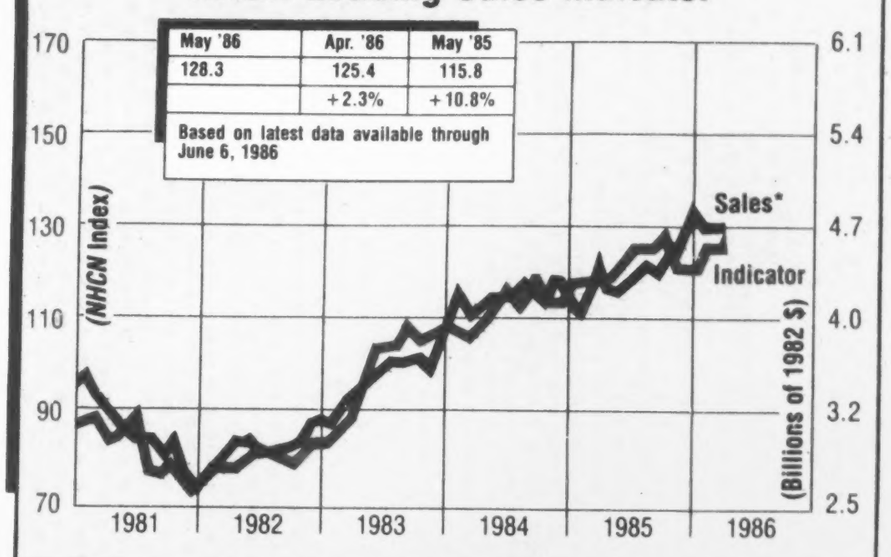
(Continued on page 4)

INDEX

Advertising and Marketing	74	Home Center Market Summary	84
Advertising Index	83	Housing Watch	14
Behind the Numbers	82-83	Inside the Aisles	68
Business Watch	12-13	Lumber Futures	16
Calendar	76	Lumber Report	16
Corrections	6	People	70,72
Editorial	10	Perspectives	21
		Washington View	10

BUSINESS WATCH

NHCN Leading Sales Indicator



*—Monthly retail trade building materials and supplies in 1982 $.
Indicator—Represents projected level of retail trade building supply activity four to six months out from current months. Data based on real personal income, housing starts, resales, prime rates and other data.

The NHCN Leading Indicator rose 2.3% in May from the prior month due to the strength in resales in the fourth quarter of last year. Based on the level of activity in starts, resales, income and interest rates in the first quarter of 1986, the leading indicator should rise an additional 4% through September.

Building material sales to gain 15% in Mountain states region

By Richard E. Mount
Special to NHCN

Building material sales in the Mountain states will increase 15% this year in dollar volume, 9% after adjusting for inflation. This increase in real volume will be slightly less than the 11% national gain.

Mountain states sales were weak during the first three quarters of 1985, and were down 2% in real terms for the year in contrast to the country's 5% increase. Weakness in copper, coal, petroleum and natural gas mining harmed employment in the region. The Mountain states are also major producers of beef and wheat.

Richard E. Mount

Building material sales increased 4% in real volume during the fourth quarter of last year and 6% in the first quarter of 1986 as a few major states strengthened. These rates of increase in building material sales will slacken for the rest of the year.

Energy prices dropped in early 1986, reducing U.S. production as imports became less expensive. The decline in imported oil prices put downward pressure on natural gas when utilities and industrial users switched to lower priced oil.

The sharp declines in agriculture are past, but the recovery will be slow and unsteady. Pork inventories are low and consumers will turn increasingly to beef. For the Mountain states, agriculture will provide marginally stronger support this year and next.

(Continued on page 13)

Home Center Industry Regional Outlook

	1985 QII	1985 QIII	1985 QIV	1986 QI	1986 QII	1986 QIII	1986 QIV	1987 QI	1984	1985	1986
***NHCN* Leading Sales Indicator** (January 1980 = 100)	116	121	123.4	124.1	126.4	130.9	135	138	118.525	129.1	139.3
Building Material Retail Sales											
Current Total U.S. ($ millions) SAAR	53,512	53,736	56,976	60,944	61,005	62,165	63,008	65,050	53,841	61,781	66,655
New England	2,902	3,238	3,477	3,471	3,819	3,873	3,881	3,994	3,038	3,761	4,077
Middle Atlantic	7,119	7,408	8,306	8,307	8,535	8,628	8,720	8,977	7,269	8,548	9,165
East North Central	8,575	8,603	9,048	8,045	9,663	9,878	10,062	10,441	8,381	9,412	10,742
West North Central	3,860	3,841	4,000	3,561	4,252	4,320	4,354	4,482	3,747	4,122	4,591
South Atlantic	11,139	10,868	11,837	13,842	12,646	12,918	13,131	13,569	12,262	11,134	12,931
East South Central	2,912	3,056	3,182	3,498	3,569	3,674	3,774	3,949	2,964	3,629	4,078
West South Central	6,240	5,822	6,041	6,808	6,101	6,154	6,124	6,297	6,090	6,297	6,422
Mountain	2,606	2,620	2,763	3,230	2,959	3,040	3,094	3,194	2,674	3,081	3,263
Pacific	8,158	8,281	8,322	10,183	9,462	9,679	9,867	10,148	8,377	9,798	10,386
Constant Total U.S. (1972 $ millions) SAAR	50,990	51,209	53,765	56,604	56,100	56,600	56,800	58,060	51,055	56,526	58,605
New England	2,765	3,086	3,281	3,411	3,512	3,526	3,499	3,565	2,883	3,487	3,585
Middle Atlantic	6,783	7,060	7,838	7,803	7,848	7,856	7,861	8,012	6,897	7,842	8,058
East North Central	8,171	8,198	8,358	9,062	8,886	8,994	9,071	9,319	7,954	9,003	9,444
West North Central	3,678	3,660	3,775	4,046	3,910	3,934	3,925	4,000	3,556	3,954	4,036
South Atlantic	10,614	10,357	11,170	11,448	11,630	11,761	11,837	12,111	10,687	11,669	12,249
East South Central	2,775	2,912	3,003	3,219	3,282	3,345	3,402	3,524	2,813	3,312	3,585
West South Central	3,596	5,548	5,701	6,133	5,610	5,603	5,521	5,620	5,779	5,717	5,647
Mountain	2,483	2,497	2,607	2,760	2,721	2,768	2,789	2,851	2,537	2,759	2,869
Pacific	7,774	7,892	7,853	8,723	8,701	8,813	8,895	9,057	7,949	8,783	9,132
Per Cent of U.S. Total											
Current Total U.S. ($ millions) SAAR	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
New England	5.42	6.03	6.10	6.03	6.26	6.23	6.16	6.14	5.65	6.17	6.12
Middle Atlantic	13.30	13.79	14.58	13.79	13.99	13.88	13.84	13.80	13.51	13.87	13.75
East North Central	16.02	16.01	15.88	16.01	15.84	15.89	15.97	16.05	15.58	15.93	16.12
West North Central	7.21	7.15	7.02	7.15	6.97	6.95	6.91	6.89	6.96	6.99	6.89
South Atlantic	20.82	20.22	20.78	20.22	20.73	20.78	20.84	20.86	20.93	20.64	20.90
East South Central	5.44	5.69	5.58	5.69	5.85	5.91	5.99	6.07	5.51	5.86	6.12
West South Central	11.66	10.83	10.60	10.83	10.00	9.90	9.72	9.68	11.32	10.11	9.63
Mountain	4.87	4.88	4.85	4.88	4.85	4.89	4.91	4.91	4.97	4.88	4.89
Pacific	15.25	15.41	14.61	15.41	15.51	15.57	15.66	15.60	15.57	15.54	15.58
Industrial Production											
Index (1977 = 100) Brick	87.5	91.3	88.6	92.7	94.3	94.5	94.1	92.4	88.5	93.5	91.1
Cement	110.0	106.5	99.8	121.2	114.9	115.2	113.1	110.9	105.7	114.0	109.4
Gypsum Mallboard	127.7	129.6	132.4	132.8	133.7	132.3	134.5	134.6	126.4	133.3	133.9
Hardware	102.7	99.2	99.4	99.8	102.4	103.7	104.5	104.5	100.9	102.4	103.8
Lumber Products	121.8	126.1	125.7	128.0	128.4	129.3	128.7	127.5	122.9	128.3	126.6
Paint	106.0	98.2	100.2	100.6	104.7	105.9	107.1	108.2	101.9	104.6	109.1
Plywood	137.1	144.3	142.9	149.6	147.2	148.6	148.2	147.3	138.7	146.6	145.2

Data: Department of Commerce
Bureau of Labor Statistics
National Association of Realtors
Department of Housing and Urban Development
June 26, 1986

The Home Center Industry Outlook runs in two parts, in alternate issues. The first part includes latest data on the General Economic Outlook; Residential Alterations & Repairs; and Retail Trade Activity. The second part includes latest data on regional building material & supply store sales; and industrial production. The *NHCN* Leading Indicator runs every issue.

SAAR—Seasonally Adjusted Annual Rate
p—projection
NHCN chart
Source: Merrill Lynch Economics for *NHCN*

BUSINESS WATCH

Building material sales to climb most in tourism dependent Mountain states

(Continued from page 12)

Building material sales will increase the most in those states that are dependent upon tourism, office equipment production and federal government employment. These states are not major energy or agricultural goods producers.

Strongest growth states

Building material sales in Arizona will increase 19% this year in dollar volume, the strongest gain in the region. The state economy has been strong over the past year—employment up 4.8% from a year ago, resales increased 19.9% in 1985, and the unemployment rate is 6.4%.

Nevada's building material sales will rise 17%. The state has a major service sector and concerns with overseas travel will increase local employment. Employment is running 3.4% ahead of a yeaqr ago, resales rose 6.4% in 1985 and the unemployment rate is 7.5%.

Utah will see sales of building materials inccrease 16% in 1986. Employment is up 3.2% from a year ago, resales rose 4.8% in 1985 and the unemployment rate is a regional low of 5.7%.

Building material sales will increase the most in those states that are dependent upon tourism, office equipment production and federal government employment. These states are not major energy or agricultural goods producers.

Moderate growth states

States that have less tourism and more manufacturing and mining will have sales' increases that are lower.

Building material sales in Colorado will rise 14% in dollar volume this year. The state is the major manufacturer in the area. The state is also an energy producing state, and weakness in coal demand will limit the expansion. Employment is up 1.9% from last year, resales rose 4.7% and the unemployment rate is 6.2%.

New Mexico's building material sales will rise 13%. The state has a large tourist industry but the local economy was weak last year. Employment was up only 1.3%, resales 3.7% and unemployment stood at 9.2%.

Sales of building materials will increase 8% in Wyoming in 1986. The state has significant petroleum and coal mining. Employment is up only 0.4% from last year, resales up 4.9% and the unemployment rate 10.6%—the highest in the region.

Lowest Growth States

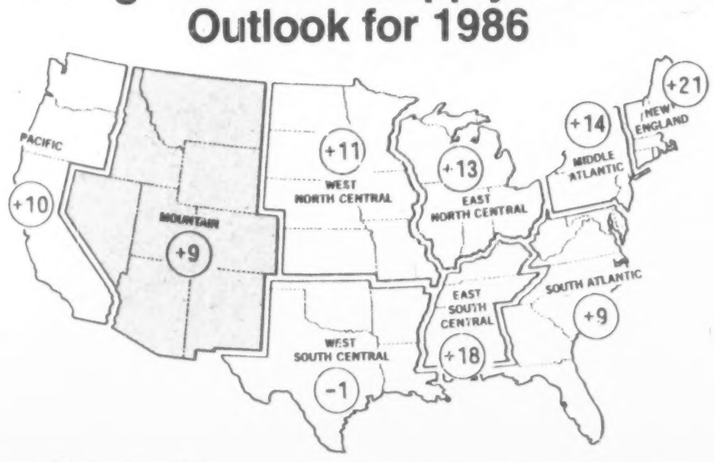
States with heavy concentrations in mining or lumber will show the lowest gains this year. Local economies are small and not diverse.

Idaho's building material sales will increase only 3% this year in dollar volume, down 1L% in real volume. Employment is up only 0.9% from last year, resales declined 6.5% and the unemployment rate is 9.8%.

Montana will be the worst state for building material sales in 1986—unchanged in dollar volume, down 4% in real activity. Employment is up a mere 0.2%, resales dropped 10.5% in 1985 and the unemployment rate is 9.2%.

Richard E. Mount is senior economist and manager of housing construction material research for Merrill Lynch Economics.

Building material & supply store sales Outlook for 1986



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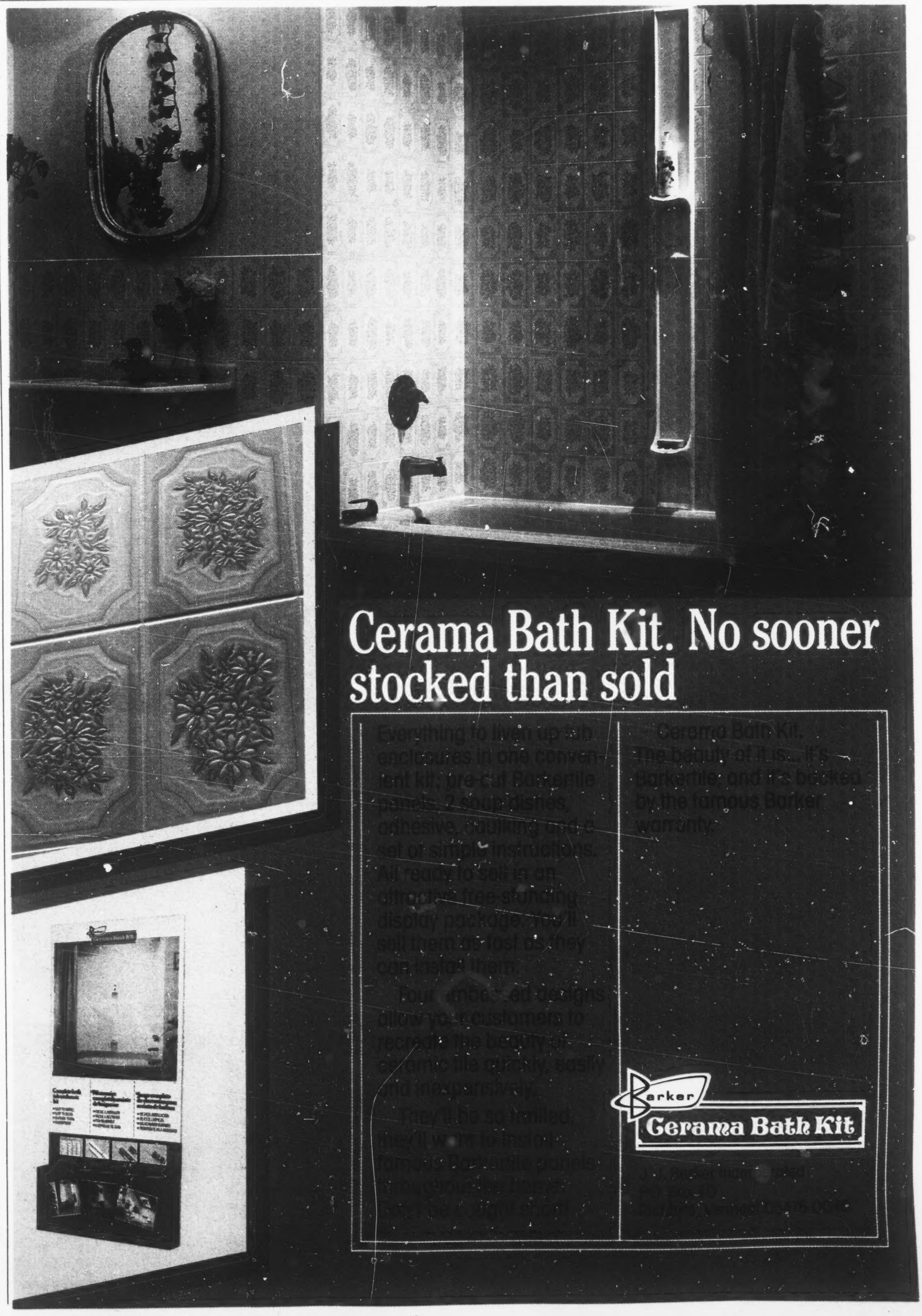
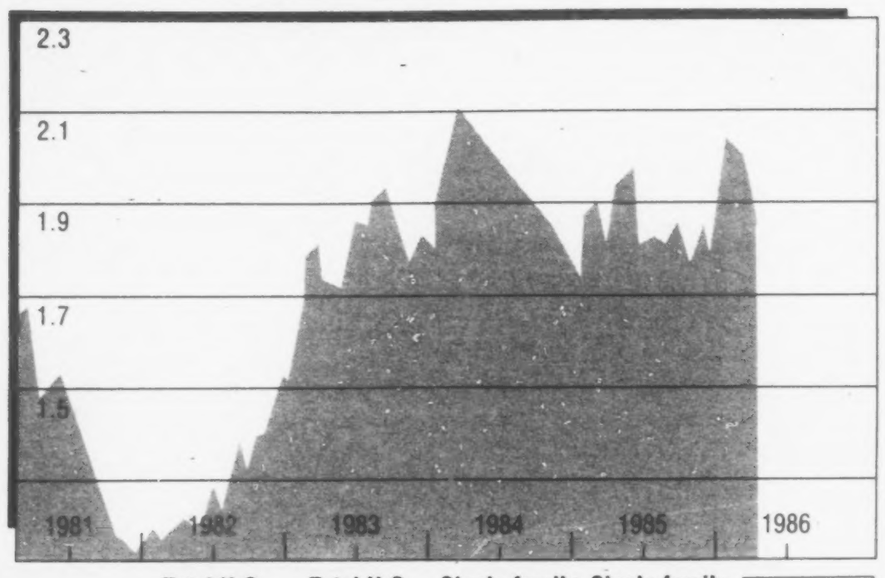
Source: Merrill Lynch Economics


Cerama Bath Kit. No sooner stocked than sold
Everything to liven up tub enclosures in one convenient kit: pre-cut Barkerite panels, 2 soap dishes, adhesive, caulking and a set of simple instructions. All ready to sell in an attractive, free-standing display package. You'll sell them as fast as they can install them.
Four embossed designs allow your customers to recapture the beauty of ceramic tile quickly, easily and inexpensively.
They'll be so thrilled, they'll want to install Barkerite panels in every room in the house.
Cerama Bath Kit. The beauty of it is... it's Barkerite, and it's backed by the famous Barker warranty.
Barker
Cerama Bath Kit

HOUSING WATCH

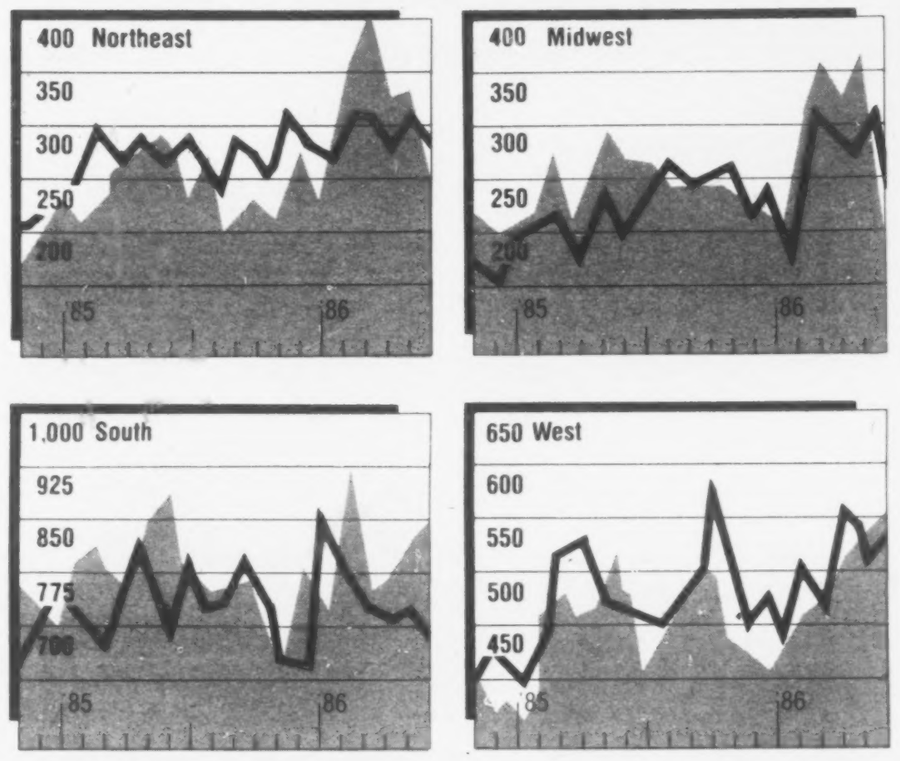
National housing starts and permits
(seasonally adjusted annual rates, in millions)



	Total U.S. starts	Total U.S. permits	Single family starts	Single family permits
May '86	1,888	1,785	1,262	1,098
April '86	2,039	1,885	1,262	1,139
May '85	1,684	1,727	1,041	926

Key: Starts, Permits

Regional housing starts and permits
(in thousands)



May starts fall 7.4%, 12% above '85 pace

NATIONAL REPORT — Housing starts fell 7.4% in May to a seasonally adjusted 1.888 million units, the U.S. Commerce Department reported. It was the largest monthly drop in a year.

Despite this setback, starts were 12% above the pace set in May 1985. Single family starts, which totaled 1.26 million units, seasonally adjusted, were unchanged from April, and were 21% above its year-earlier pace.

The April-to-May starts decline was blamed on the weakening multi-family housing sector.

Permit activity also fell in May, down 5.3% to an annualized 1.785 million units. Single family permits also slipped, dipping 3.6% to 1.098 million units, seasonally adjusted.

The activity decline—which was expected—coupled with the recent rise in mortgage rates does not upset the overall strength of the housing market asserted Gopal Ahluwalia, assistant staff vp/director of research at the National Association of Home Builders (NAHB).

Ahluwalia said 1986 will be a strong housing starts year. Starts should total 1.8 million units, 1.2 million to 1.3 million

Regional Housing
(in thousands)

	May '86 starts	% chg.	May '86 permits	% chg.
Northeast	252	−24.8	273	− 9.6
West	550	+ 2.8	532	+ 1.7
South	839	+ 5.0	682	− 6.2
Midwest	247	−33.2	298	−10.5

Source: U.S. Commerce Department

of which would be in single family dwellings.

Activity in the four regions varied in May: the Midwest and Northeast recorded huge decreases in starts and moderate declines in permits, while the South and West posted small starts gains.

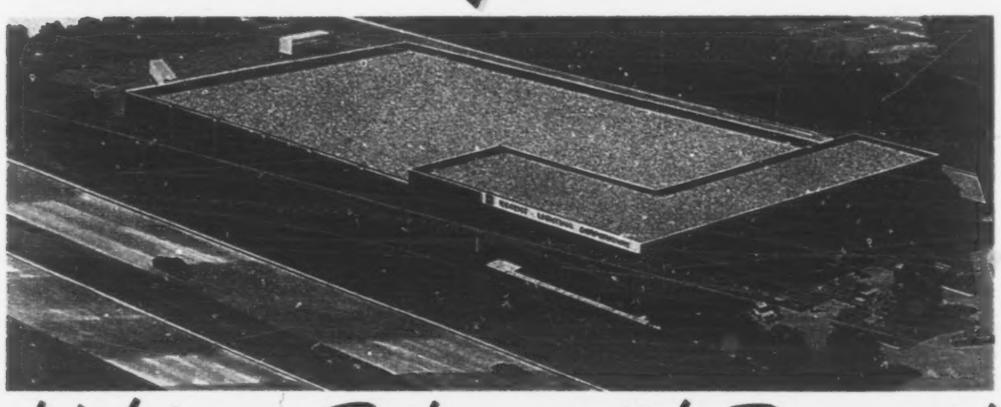
Only in the West did both starts and permits increase in May. Permit activity was up a mere 1.7% to 532,000 units, seasonally adjusted, a 16.4% increase over its May 1985 pace. Starts edged up 2.8% to 550,000 units, a 22.8% increase over the same month last year.

Housing starts rose 5% in the South in May, to an annualized rate of 839,000 units, the largest regional increase. Permits, however, dropped 6.2%, to 682,000 units, seasonally adjusted.

The Midwest posted the largest starts decline of any region in May, down a whopping 33.2% to 247,000 units, seasonally adjusted, 2% below its May 1985 pace. Its permit activity was also down, by 10.5% to 298,000 units.

The Northeast also reported a substantial decline in its housing starts activity, down 24.8% to 252,000 units, seasonally adjusted. The pace was still 5.4% ahead of May 1985. Permit activity was down 9.6% to 273,000 units, seasonsllly adjusted, up 5.8% from a year ago.

GO WITH THE GLOW...



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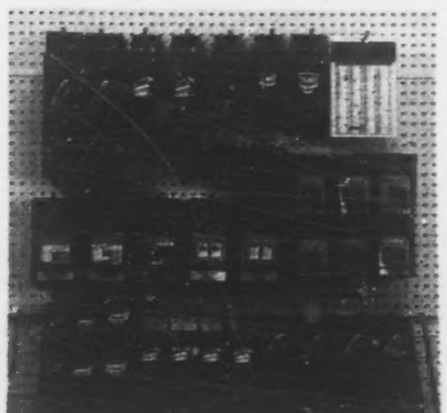

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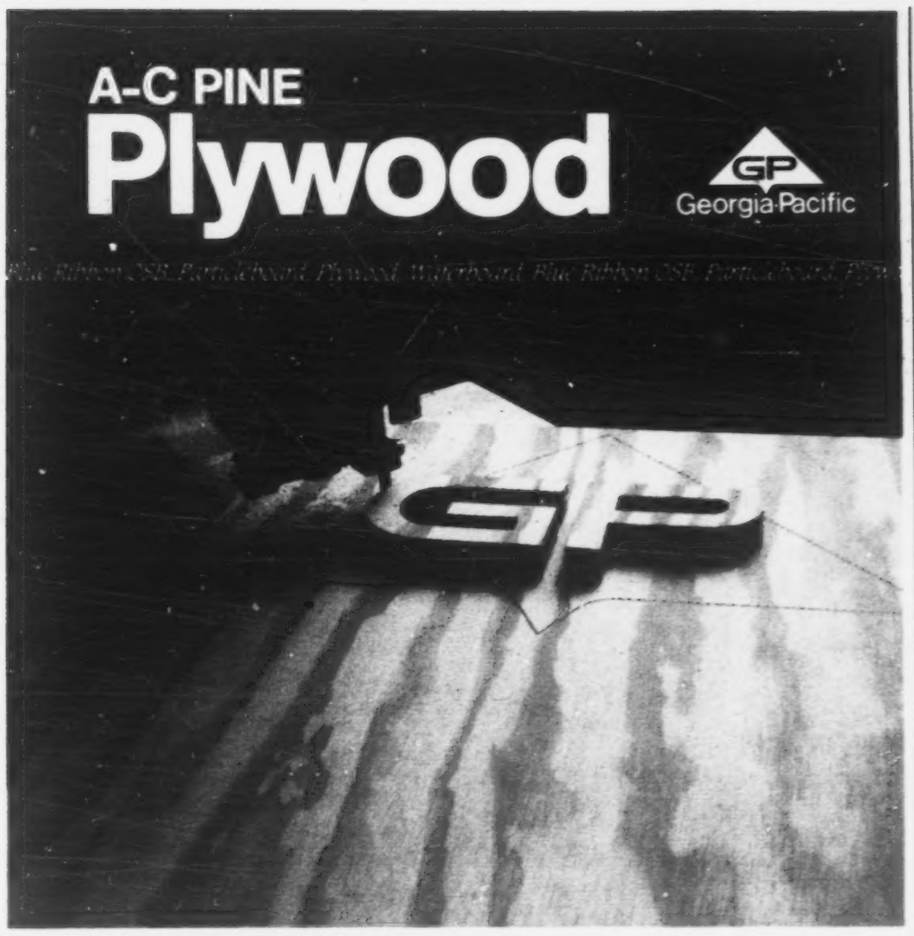

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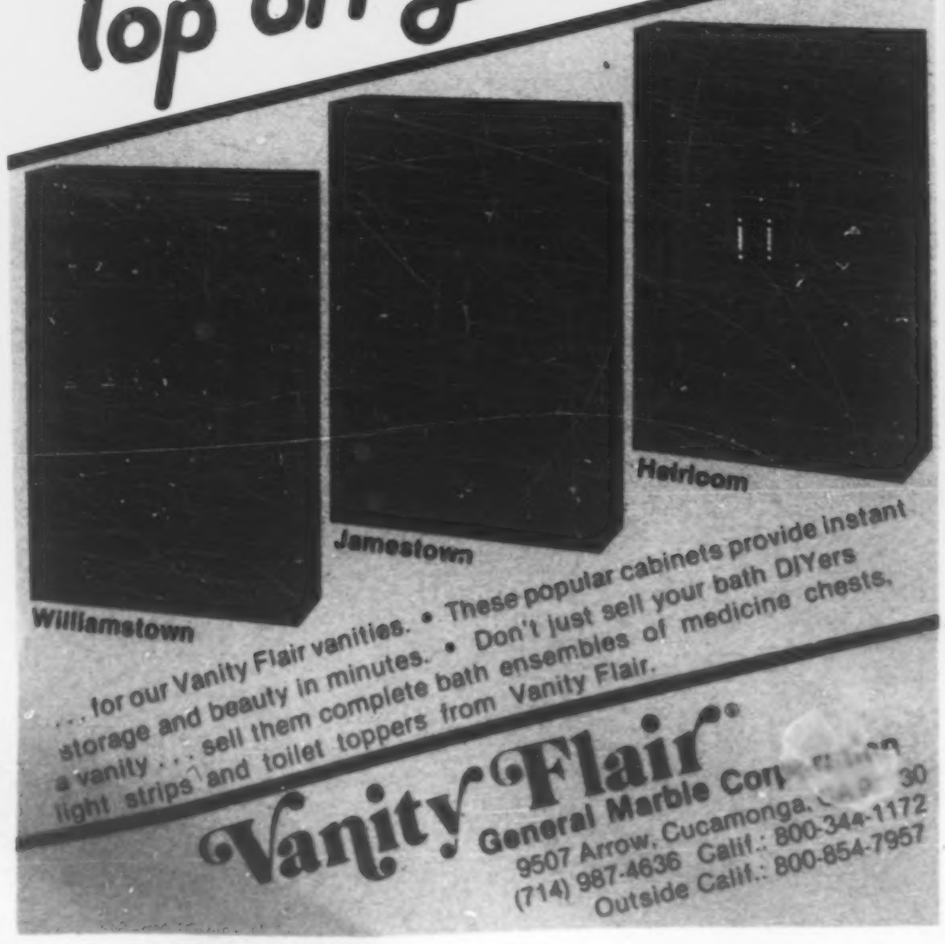

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LUMBER REPORT

Strike at Weyerhaeuser mills not expected to affect supply

By Milford Prewitt
NHCN staff editor

NATIONAL REPORT — The woodworkers strike at Weyerhaeuser Co.'s northwestern mills was expected to have little effect on retail lumber supply or prices.

Industry observers note that with the exception of Weyerhaeuser, lumber and plywood manufacturers have cranked up production full steam to coincide with the traditional height of the summer construction season.

Further, with inventories and the distribution pipeline saturated from years of overproduction, the only impact of the Weyerhaeuser strike may be limited to the company itself.

About 7,000 members of the International Wood Workers of America and the Lumber Production and Industrial Workers unions walked off their jobs June 16 from 22 Weyerhaeuser mills and logging operations in Oregon and Washington, about a week after intense bargaining failed to reach agreement on a new contract. No Weyerhaeuser distribution facilities or mill operations in the South or Canada were affected.

At issue in the bitter work stopage was management's proposal that unionized workers at the financially ailing company accept a 20% cut in salaries and benefits, roughly an hourly wage concession of $4.30. Company officials insist that the givebacks are necessary in order for the firm to remain competitive with southern and nonunionized mills, which pay their workers far less than the $20 an hour wage the average Weyerhaeuser worker earns.

Woodworkers resisted with the strike and produced a counter proposal that featured a partial acceptance of wage cutbacks if Weyerhaeuser created a profit-sharing plan. Other details of the union's plan could not be learned by press time.

The company responded with a profit-sharing plan that would go into effect whenever individual operating units earned a 5% profit on sales. Weyerhaeuser set a June 23 deadline to end negotiations.

The union rejected the offer and a request was make to the Federal Mediation Service to intervene in the dispute.

Meanwhile, contract negotiations at plywood mills of Boise Cascade and Champion International have not been marred by strikes, though the threat had been looming since agreements expired in May.

Jim Bradbury, a spokesman for Weyerhaeuser, said it was difficult to predict how long the workers would stay out. For the company's part, Bradbury said salaried supervisory employees would operate some of the mills and if the strike is prolonged, he indicated that nonunion workers would be hired to meet the company's commitments to customers.

Wall Street and other industry observers have been watching the effects of the strike on Weyerhaeuser with great interest, even though there is a broad consensus that there will be few ripples in supply or prices from the work stoppage.

Part of the reason for the widespread belief that the strike would have negligible ramifications can be found in the company's own 1985 annual report.

Weyerhaeuser's northwestern mills accounted for only 2.5%, or 1.3 billion board feet, of the 52 billion board feet of lumber produced in North America last year. Although Weyerhaeuser remains the world's largest producer of framing lumber, it long ago lost its rank as the biggest distributor of lumber and building materials to Georgia-Pacific.

But its production of lumber is also faltering. According to its annual report, Weyerhaeuser produced 2.5 billion board feet of lumber last year, below the 2.9 billion board feet it churned out in 1985, and lower still than the 2.7 billion board feet it produced in 1982, the worst year of the recession. Moreover, its 1985 plywood output of 1 billion board feet was the lowest for any year in the 80's.

"What we're looking at is nothing less than a one-time giant in a severe state of decline," said George Matthews, a forest products analyst with Dean Witter.

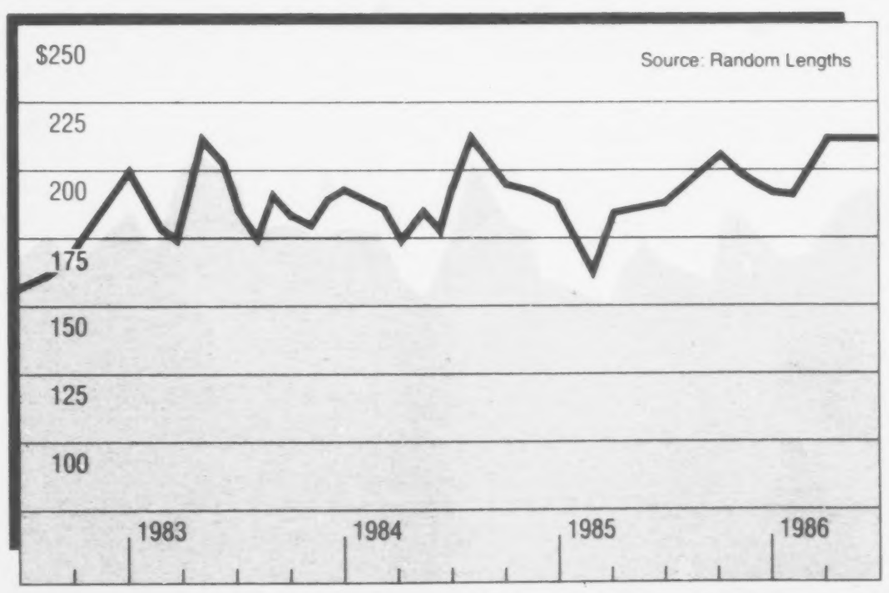
Although Matthews praised the company's efforts to improve its bottom line by cutting some 7,000 employees from its payroll over the past five years, revenues have still dropped from $5.5 billion in 1984 to $5.2 billion last year.

But George Adler, an analyst with Smith Barney, argued that Weyerhaeuser is at a critical turning point in its history and faces a series of labor problems that must be solved during the contract ne-

(Continued on page 76)

Commodity close-up

Western and Southern Plywood
Average monthly mill prices
(per thousand board feet)



The month of May ended with plywood prices showing mixed price levels. Douglas fir ½-in. CD ext. 4/5 ply held steady at $214 per thousand board feet for a monthly average while southern pine ½-in. CD Ext. 3 ply rose $7 to $182 per thousand board feet.

Futures

LUMBER (CME)—130,000 bd. ft. spruce-pine-fir 2x4's; $ per 1,000 bd. ft.
Two weeks ended June 19, 1986

	High	Low	Close (Settle)	Previous Week	Open* Interest	Contract High	Contract Low
July '86	177.60	164.00	177.60	162.00	2,051	190.90	144.0
Sept.	174.90	164.80	174.60	162.40	2,161	182.40	145.00
Nov.	171.80	163.00	170.30	161.00	1,193	174.50	146.00
Jan. '87	173.30	166.10	172.30	166.00	331	175.00	150.00
Mar.	174.20	167.50	173.50	166.50	165	175.50	153.00
May	174.50	168.00	174.50	166.50	60	174.50	160.00
July	175.50	163.00	175.50	162.00	15	175.50	162.00

Total Contract Vol. (Through6/19): 20,765 **Previous Two Weeks: 21,542**
Total Open Interest (As of 6/19): 5,976 **Previous Week: 6,303**
Cash Price: $170.52 **Previous Week: $160.72** **Year Ago: $152.88**

CME—Chicago Mercantile Exchange
*Figures for Thursday, June 19
Open Interest is the number of outstanding contracts for each delivery month not liquidated by an offsetting transaction or fulfilled by delivery.

CALENDAR

Major Shows

Aug. 10-13
National Hardware Show Hardware Industry Week, McCormick Place, Chicago. Produced and managed by Cahners Exposition Group. Contact Julie Prazmark, 203-964-0000. Sponsored and conducted by the American Hardware Manufacturers Assn. Contact William P. Farrell, 312-885-1025.

Oct. 5-7
D-I-Y Marketing 86, Jacob K. Javits Convention Center, New York, N.Y. Contact Rita Kotch, 212-370-5005.

Oct. 9-16
National Lumber & Building Material Dealers Association Convention, Crown Center Hotel, Kansas City, Mo. 202-547-2230.

Oct. 26-29
National Hardware Convention, Hilton Hawaiian Village, Honolulu. 312-885-1025.

Nov. 3-7
83rd semiannual **International Housewares Exposition,** McCormick Place Exhibition Complex, Chicago. 312-644-3333.

Nov. 9-12
National Building Material Distributors Association Fall Meeting/Convention, Hyatt Regency, Chicago. 312-724-6900.

1986

July

July 26-27
Amarillo Hardware Co. Fall Red Carpet Buyers Market, Amarillo Civic X Center, 3rd & Buchanan, Amarillo, Tex. 806-376-4722.

July 28-30
International Lawn, Garden & Power Equipment EXPO '86, Kentucky Fair & Exposition Center, Louisville, Ky. Sponsored by the Outdoor Power Equipment Institute Inc. Contact Polly Moter, 1-800-558-8767.

August

Aug. 23-24
Moore-Handley Hardware Division Fall and Winter Dealer Buying Show, Birmingham/Jefferson Civic Center Exhibition Hall, Birmingham, Ala. 205-663-8011.

September

Sept. 6-7
Hardware Supply Company of Philadelphia, 15th Annual Dealer Market, Adam's Mark Hotel, City Line and Monuement Rd., Phila. Contact Tom Edler, 215-365-7800.

Sept. 7-10
California Pacific Southwest Hardware Assn. 86th Annual Convention & Management Institute, San Francisco Hilton Hotel, San Francisco, Calif. Contact the assn. at 415-552-0536.

Sept. 19-28
American Hardware Supply Company's Fall Market, Baltimore, Md.

Sept. 20-21
S&T Wholesale Hardware Spring and Summer Merchandise Market, Kentucky Fair & Exposition Center, Louisville, Ky. Contact Henry London, market coordinator, 812-283-6661.

Sept. 21-24
28th Retail Systems, Technology and Communications Conference, Anaheim, Calif. Sponsored by the National Retail Merchants Assn. For more information contact the association's Conferences & Special Services, 212-244-8780.

Sept. 27-28
Handy's Great American Market, Astroarena Exposition Center-Astrodome Complex, Houston, Tex. Sponsored by Handy Hardware Wholesale Inc. Contact James A. Erke, vp director of marketing, 713-644-1495.

Sept. 28-Oct. 1
Credit Management Conference, Dallas. Sponsored by the National Retail Merchants Assn. For more information contact the association's Conferences & Special Services, 212-244-8780.

Men and women view shopping in DIY stores similarly

(Continued from page 32)

Perhaps the biggest beef women expressed, however, about most home improvement operations was the sense of being discriminated against by in-store sales personnel who either ignored them or made them feel their questions about home improvement were "dumb."

In this case, women felt the perpetuation of a store's "macho" reputation was most manifest and most offensive. What annoyed the women perhaps the most in the focus groups was the fact that in many instances, they knew more about the project and products they were inquiring about than the salesmen who waited on them.

However, comments from the men and women interviewed in all of the focus groups also suggest that home improvement stores that cater to stereotypes about male and female shoppers are doing so at risk of sacrificing business.

Take, for instance, the comment from one of the women in the study who said she "loved lumber," and liked being around the oak, pine and cedar when she shopped, which flies in the face of most males' assumptions.

It was significant, too, to observe that men were more vocal than women in making suggestions about how tile and wallpaper should be displayed in a store, and how those displays could be improved.

More importantly, though, it is clear that married couples generally go to these stores together, so the shopping environment had better appeal to both, especially considering that women are making many of the decisions about what products get into a home.

Secondly, the differentiation between what men and women want from a store, if taken literally, can narrow a retailer's ability to sell to both. Male and female customers participating in the study said they prefer to shop in stores that helped them realize their home improvement dreams. And those dreams, surprisingly enough, are not so easily separated between the genders.

One Chicago-area male shopper said he did not care for an elaborate Kohler sink display in Mr. HOW Warehouse because "I couldn't visualize how it would look with the vanities, the cabinets, the wallpaper."

Men and women also seek out a comfort level from the stores they shop that is not always presented to them. Both sexes balked at shopping in what they referred to as "an obstacle course" some warehouse stores have become because of all the merchandise left in their aisles unattended.

Common preferences

Both groups said they like variety in the departments they shop, and sought quality and low pricing on the merchandise they bought.

And the comments of some female shoppers again flew in the face of conventional wisdom about a store's offering a broader selection of such products as housewares and non-home improvement type items to attract a wider range of women shoppers.

The women customers gave the example of Mr. Goodbuys expanding into bedding and linens—two categories generally viewed by retailers as "women's products—and questioned the store's commitment to its core merchandise mix. This level of discernment about product mix transcends gender classification.

Strike at Weyerhaeuser mills not expected to affect supply

(Continued from page 16)

gotiations. Adler suggested that Weyerhaeuser should follow the Louisiana-Pacific Co. example which, three years ago, kicked the union out of all but one or two of its northwestern mills when the contract expired and replaced unionized workers with nonunion employees.

"Weyerhaeuser has gotten itself in a critical position," Adler said. "Three years ago when L-P did not go along with the rest of the industry, when the other companies did, the unions went out on strike, and L-P replaced their striking workers. Now that company is almost totally nonunion.

"Now other companies realize they have to do similar things to get wage levels down to competitive levels."

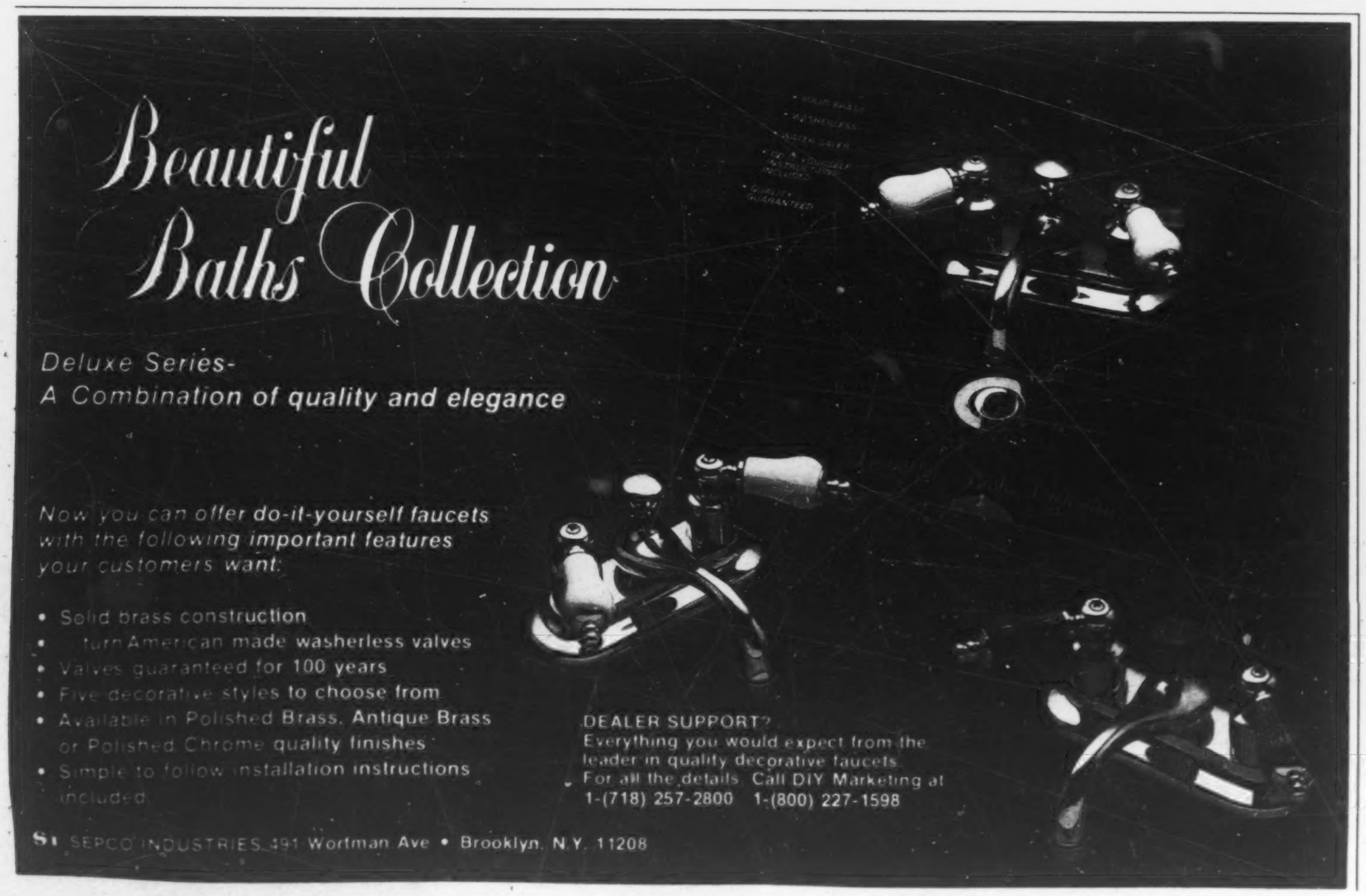
Adler said a more grave and unique labor problem of Weyerhaeuser's is employing its own logging crews. Adler said most of the industry has adopted the practice of hiring independent loggers at substantially lower wages and minimal benefits to harvest forest.

"There is no doubt that Weyerhaeuser has to get those wages down," he said. "They have two opitions: Either fire them or compromise.

"They cannot give on the basic issues."

Jon Anderson, editor of *Random Lengths*, the forest products industry trading newsletter, said there had been some evidence that the "psychological effect" of the Weyerhaeuser strike pushed prices up during the first week of the work action.

"There was a lot of scrambling around in the Northwest because traders thought Weyerhaeuser's labor problems would spread to other mills," Anderson said. "But this strike will not have much impact with so much lumber already in the pipeline. There was 52 billion board feet of lumber produced in North America last year and indications are that we are well ahead of that pace."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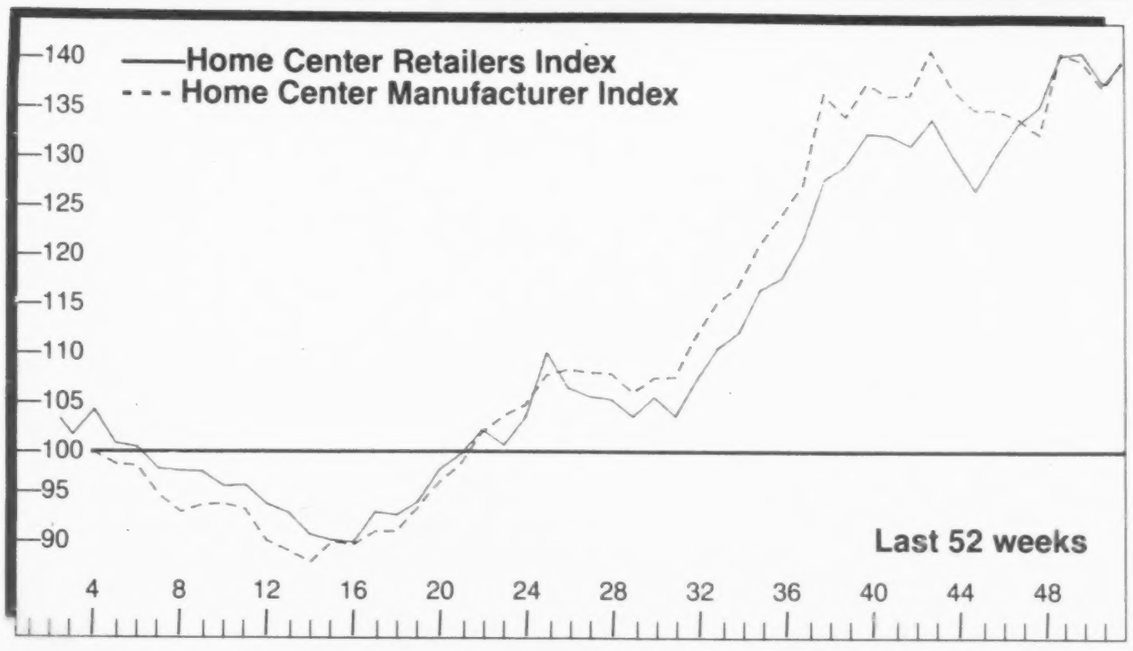
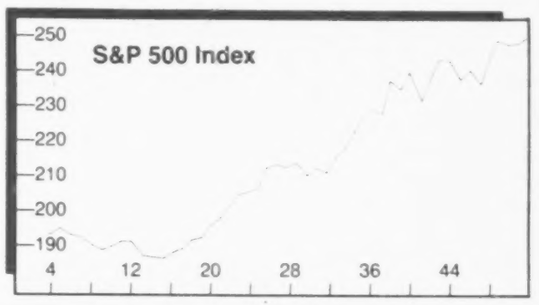


The home center retailer and manufacturer stock market indices are a measurement of the changes in aggregate market value compared to their value on Feb. 1, 1985, which has been set to equal 100 on the index. Aggregate market value is the sum of each stock's price multiplied by its number of shares outstanding, adjusted to eliminate the effects of additions or deletions of companies to the *NHCN* stock list.

Most Active Stocks

Company & Market	Total 2-Week Volume	Volume Trend Change	2-Week Price Change
6-27-86	(100)	%	%
SW Forest Ind ..... N	15,366	562.4	- 6.4
Natl Hardgoods ..... M	720	441.7	14.5
Macmillan Bloedel ..... M	2,342	406.7	2.9
Mich General ..... A	7,012	390.5	- 6.7
Color Tile ..... M	8,309	227.1	9.4
Sherwin-Wms ..... N	11,915	215.9	- 4.8
Lewis Palmer ..... M	1,161	197.0	15.4
Stanley Works ..... N	6,031	174.7	- 4.7
Zayre Corp ..... N	22,034	146.7	.0
Hechinger B ..... M	1,480	145.0	1.4

The Volume Trend Change is the per cent difference between the latest 2-week average volume and the previous 12-week average volume.*



Price Movement

Company & Market	2-Weeks Ended 6-27-86	2-Week Price Change	Total 2-Week Volume
Winners	$	%	(100)
Lewis Palmer ..... M	9.38	15.4	1,161
Natl Hardgoods ..... M	8.88	14.5	720
Waxman Ind ..... M	15.25	10.9	1,458
Color Tile ..... M	24.63	9.4	8,309
K mart Cp ..... N	56.38	5.6	66,433
Walter, Jim ..... N	44.50	4.7	9,446
INTERCO Inc ..... N	94.00	4.3	2,940
Natl Lumber ..... M	6.50	4.0	1,031
Masco Corp ..... N	33.25	3.5	17,320
Mor-Flo Inds ..... M	16.00	3.2	80
Losers	**$**	**%**	**(100)**
Homecrafters Whse ..... M	.63	- 16.7	555
Manville Cp ..... N	2.75	- 8.3	8,697
Std Brd Pnt ..... N	23.00	- 8.0	4,669
Armstrng Wrld ..... N	64.13	- 7.7	6,161
Mich General ..... A	3.50	- 6.7	7,012
Pope & Talbot ..... N	19.50	- 6.6	1,304
SW Forest Ind ..... N	12.75	- 6.4	15,366
Champ Intl ..... N	24.38	- 6.3	31,681
Wickes Cos ..... A	5.88	- 6.0	63,521
Emhart Corp ..... N	35.63	- 5.6	4,700

National Home Center News®

HOME CENTER MARKET SUMMARY

Company and Market	2-Weeks Ended 6-27-86	Price 2-Weeks Change Amt.	Price 2-Weeks Change Pct.	Price 2-Week Range High	Price 2-Week Range Low	Price 52-Week Range High	Price 52-Week Range Low	Volume 2-Weeks Shares Traded Total	Volume 2-Weeks Shares Traded % Out	Volume 12-Week Avg. Vol. As % Out	Volume Trend Change	P/E Ratio	Indicated Divd. Rate Amt.	Indicated Divd. Rate Yld.	Latest Report New Report	Latest Report Period	Latest Report Date Ended
	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-
Retailers																	
Color Tile ..... M	24.63	2.13	9.4	24.63	22.50	24.63	16.88	8,309	8.80	2.69	227.1	16.4	.00	.0	.....	9 mos.	03-86
Erb Lumber ..... M	73.00	- 4.00	- 5.2	77.00	73.00	77.00	20.75	205	2.45	1.05	133.3	10.6	.00	.0	.....	3 mos.	03-86
Forest City Ent ..... A	30.38	- .63	- 2.0	31.13	30.38	31.25	22.00	239	.30	.16	87.5	41.6	.30	1.0	NEW	3 mos.	04-86
Grace W R ..... N	54.25	- 1.25	- 2.3	55.50	52.75	60.75	35.50	20,078	3.69	2.94	25.5	26.9	2.80	5.2	.....	3 mos.	03-86
Handyman ..... A	31.50	.00	.0	31.63	31.50	36.00	21.75	68	.26	.64	- 59.4	NA	.20	.6	.....		03-86
Hechinger A ..... M	22.25	.66	3.0	22.25	21.41	23.59	12.81	5,623	5.14	3.00	71.3	NA	.16	.7	.....		00-00
Hechinger B ..... M	22.50	.31	1.4	22.50	21.41	23.59	12.81	1,480	.49	.20	145.0	28.1	.06	.3	.....	3 mos.	04-86
Homecrafters Whse ..... M	.63	- .13	- 16.7	0.88	0.63	8.63	.63	555	1.96	1.85	5.9	NE	.00	.0	NEW	fiscal	01-86
Home Depot ..... N	21.38	.50	2.4	21.75	19.50	21.75	10.50	8,759	3.49	2.80	24.6	47.5	.00	.0	.....	3 mos.	04-86
INTERCO Inc ..... N	94.00	3.88	4.3	94.25	89.25	94.25	62.75	2,940	2.06	1.30	58.5	15.6	3.08	3.3	NEW	3 mos.	05-86
K mart Cp ..... N	56.38	3.00	5.6	56.63	51.63	56.63	30.63	66,433	5.28	3.04	73.7	28.6	1.48	2.6	.....	3 mos.	04-86
Lowe's Cos ..... N	36.00	- 1.38	- 3.7	37.50	33.75	41.50	20.75	14,123	3.61	1.54	134.4	22.2	.40	1.1	.....	3 mos.	04-86
Mich General ..... A	3.50	- .25	- 6.7	3.75	3.38	6.13	3.25	7,012	6.18	1.26	390.5	NE	.00	.0	.....	3 mos.	03-86
Natl Hardgoods ..... M	8.88	1.13	14.5	9.00	7.38	9.00	5.50	720	5.85	1.08	441.7	21.1	.00	.0	.....	3 mos.	04-86
Natl Lumber ..... M	6.50	.25	4.0	7.00	5.75	7.25	4.00	1,031	1.83	1.05	74.3	NE	.00	.0	NEW	*	04-86
Pay N Pak ..... N	18.38	- .25	- 1.3	19.13	17.88	19.38	11.63	1,931	1.93	2.73	- 29.3	21.9	.64	3.5	NEW	3 mos.	05-86
Payless Cash ..... N	26.00	- .75	- 2.8	27.00	25.50	27.50	13.50	13,701	3.95	2.36	67.4	21.7	.16	.6	NEW	6 mos.	05-86
Scotty's Inc ..... N	17.25	- .50	- 2.8	18.00	16.88	18.13	12.38	1,122	.78	.68	14.7	16.3	.52	3.0	.....	9 mos.	03-86
Sears, Roebuck ..... N	48.50	1.25	2.6	48.88	46.38	50.38	31.75	86,152	2.37	1.20	97.5	14.1	1.76	3.6	.....	3 mos.	03-86
Svc Merchandise ..... M	12.38	.00	.0	12.50	11.88	16.13	10.88	26,663	8.00	4.74	68.8	NE	.08	.6	.....	3 mos.	03-86
Std Brd Pnt ..... N	23.00	- 2.00	- 8.0	24.88	22.88	25.63	18.75	4,669	23.08	10.51	119.6	18.3	.58	2.5	.....	3 mos.	04-86
Supermkts Gen ..... N	62.00	1.50	2.5	63.88	60.25	63.88	39.88	3,098	1.62	1.21	33.9	17.4	.56	.9	.....	3 mos.	04-86
Wickes Cos ..... A	5.88	- .38	- 6.0	6.25	5.75	7.00	3.88	63,521	4.60	4.53	1.5	NA	.00	.0	.....		04-86
Wolohan Lumber ..... M	10.38	.13	1.2	10.50	10.38	10.75	5.25	1,960	3.35	2.37	41.4	16.2	.16	1.5	.....	3 mos.	03-86
Zayre Corp ..... N	42.00	.00	.0	43.50	41.19	43.50	23.88	22,034	3.70	1.50	146.7	25.8	.32	.8	.....	3 mos.	04-86
Wholesalers																	
Lewis Palmer ..... M	9.38	1.25	15.4	9.38	8.00	9.88	6.38	1,161	2.97	1.00	197.0	37.5	.28b	3.0	.....	3 mos.	04-86
Manufacturers																	
Allegheny Int ..... N	19.75	- 1.00	- 4.8	20.75	18.38	28.75	16.50	4,148	3.86	2.46	56.9	NE	.00	.0	.....	3 mos.	03-86
Am Standard ..... N	41.75	- .25	- .6	42.88	41.25	46.88	27.00	10,156	2.58	1.31	96.9	10.8	1.60	3.8	.....	3 mos.	03-86
Armstrng Wrld ..... N	64.13	- 5.38	- 7.7	69.75	63.50	69.88	31.88	6,161	2.57	1.53	68.0	14.6	1.44	2.2	.....	3 mos.	03-86
Black & Decker ..... N	20.63	- .75	- 3.5	21.38	19.75	25.25	17.25	17,299	2.99	3.67	- 18.5	42.1	.64	3.1	.....	6 mos.	03-86
Boise Cascade ..... N	58.50	.50	.9	59.88	57.13	59.88	39.63	7,620	2.82	1.43	97.2	18.5	1.90	3.2	.....	3 mos.	03-86
Certain-teed ..... N	35.88	- .50	- 1.4	37.25	35.00	38.50	22.38	2,016	1.06	.94	12.8	12.5	.90	2.5	.....	3 mos.	03-86
Champ Intl ..... N	24.38	- 1.63	- 6.3	26.13	24.13	29.75	20.25	31,681	3.41	1.85	84.3	17.9	.52	2.1	.....	3 mos.	03-86
Clopay Corp ..... A	22.50	.00	.0	22.63	22.50	23.00	11.25	119	.77	1.07	- 28.0	NE	.16	.7	.....	3 mos.	03-86
DeSoto Inc ..... N	40.38	.13	.3	40.50	40.00	41.38	31.50	493	1.03	.60	71.7	12.2	1.40	3.5	.....	3 mos.	03-86
Emhart Corp ..... N	35.63	- 2.13	- 5.6	38.75	35.63	42.63	26.38	4,700	1.70	1.46	16.4	11.9	1.40	3.9	.....	3 mos.	03-86
Georgia-Pacifc ..... N	31.88	- .63	- 1.9	34.25	31.63	34.25	20.63	23,083	2.24	1.32	69.7	23.4	.80	2.5	.....	3 mos.	03-86
Insilco Corp ..... N	21.50	- .38	- 1.7	22.00	19.88	24.50	16.63	4,405	2.24	1.27	76.4	15.6	1.00	4.7	.....	3 mos.	03-86
La Pacific ..... N	26.75	- .88	- 3.2	27.75	26.00	30.13	17.13	4,892	1.34	1.19	12.6	38.8	.80b	3.0	.....	3 mos.	03-86
Macmillan Bloedel ..... M	26.25	.75	2.9	28.63	25.88	28.63	12.47	2,342	.76	.15	406.7	19.6	.25b	1.0	.....	3 mos.	03-86
Manville Cp ..... N	2.75	- .25	- 8.3	3.13	2.75	8.88	2.50	8,697	3.62	6.89	- 47.5	NE	.00	.0	.....	3 mos.	03-86
Masco Corp ..... N	33.25	1.13	3.5	34.50	31.88	34.50	15.25	17,320	1.35	.82	64.6	25.2	.32	1.0	.....	3 mos.	03-86
Mor-Flo Inds ..... M	16.00	.50	3.2	16.50	16.00	19.25	14.50	80	.32	.36	- 11.1	12.5	.01	.1	.....	3 mos.	03-86
Newell Co ..... N	34.38	- 2.00	- 5.5	36.75	34.13	36.75	15.63	2,198	2.20	1.09	101.8	15.8	.70	2.0	.....	3 mos.	03-86
Owens Corning ..... N	46.75	- 2.75	- 5.6	50.00	46.50	56.75	32.13	11,880	3.99	1.88	112.2	11.0	1.40	3.0	.....	3 mos.	03-86
Ply-Gem ..... A	14.13	- .38	- 2.6	14.75	14.00	15.50	9.59	1,423	1.94	1.72	12.8	19.6	.12	.8	.....	3 mos.	03-86
Pope & Talbot ..... N	19.50	- 1.38	- 6.6	21.25	18.75	24.75	16.75	1,304	2.17	.97	123.7	30.0	.80	4.1	.....	3 mos.	03-86
Potlatch Cp ..... N	50.38	1.50	3.1	50.38	48.63	50.88	32.25	1,084	.83	1.12	- 25.9	20.4	1.56	3.1	.....	3 mos.	03-86
Sherwin-Wms ..... N	27.00	- 1.38	- 4.8	29.50	25.50	32.25	16.63	11,915	2.59	.82	215.9	16.6	.50	1.9	.....	3 mos.	03-86
SW Forest Ind ..... N	12.75	- .88	- 6.4	13.75	12.50	15.88	9.88	15,366	15.17	2.29	562.4	NE	.00	.0	.....	3 mos.	03-86
Stanley Works ..... N	40.38	- 2.00	- 4.7	42.38	40.00	46.25	27.63	6,031	2.17	.79	174.7	14.1	1.04	2.6	.....	3 mos.	03-86
Thos Inds ..... N	22.00	- .75	- 3.3	23.00	21.75	26.75	15.94	366	.41	.47	- 12.8	12.0	.68b	3.1	.....	3 mos.	03-86
USG Corp ..... N	40.38	.63	1.6	40.75	39.00	42.75	18.31	11,666	1.80	1.24	45.2	11.4	.96	2.4	.....	3 mos.	03-86
Walter, Jim ..... N	44.50	2.00	4.7	45.50	42.38	48.00	26.00	9,446	3.26	1.64	98.8	16.7	1.40	3.1	NEW	9 mos.	05-86
Waxman Ind ..... M	15.25	1.50	10.9	15.25	13.88	17.13	10.00	1,458	4.65	2.38	95.4	18.8	.08	.5	.....	9 mos.	03-86
Weyerhaeuser ..... N	34.50	- 1.50	- 4.2	36.00	34.38	40.25	24.75	24,982	1.92	.97	97.9	24.8	1.30	3.8	.....	3 mos.	03-86

Company and Market	Latest Quarter Revenue Amt.	Latest Quarter Revenue Chg.	Latest Quarter Net Income Amt.	Latest Quarter Net Income Chg.	Latest Quarter E.P.S. Amt.	Latest Quarter E.P.S. Chg.	Year-to-Date Revenue Amt.	Year-to-Date Revenue Chg.	Year-to-Date Net Income Amt.	Year-to-Date Net Income Chg.	Year-to-Date E.P.S. Amt.	Year-to-Date E.P.S. Chg.
	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Retailers												
Color Tile ..... M	97.9	7.9	3.4	9.7	.36	9.1	280.1	12.3	10.0	7.5	1.06	5.0
Erb Lumber ..... M	35.1	33.5	(.3)	NE	(.38)	NE	35.1	33.5	(.3)	NE	(.38)	NE
Forest City Ent ..... A	88.0	19.4	.2	.0	.03	50.0	88.0	19.4	.2	.0	.03	50.0
Grace W R ..... N	1250.5	- 20.9	(3.1)	- 100.0	(.08)	- 100.0	1250.5	- 20.9	(3.1)	- 100.0	(.08)	- 100.0
Handyman ..... A	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Hechinger A ..... M	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Hechinger B ..... M	136.9	19.5	4.9	28.9	.16	14.3	136.9	19.5	4.9	28.9	.16	14.3
Homecrafters Whse ..... M	41.4	17.6	(10.1)	NE	(3.62)	NE	184.4	17.9	(23.6)	NE	(8.42)	NE
Home Depot ..... N	222.6	53.5	5.1	168.4	.20	150.0	222.6	53.5	5.1	168.4	.20	150.0
INTERCO Inc ..... N	579.2	- 1.7	14.4	28.6	.91	28.2	579.2	- 1.7	14.4	28.6	.91	28.2
K mart Cp ..... N	5212.4	4.6	91.6	56.6	.70	52.2	5212.4	4.6	91.6	56.6	.70	52.2
Lowe's Cos ..... N	534.0	18.1	11.4	- 4.2	.31	- 6.1	534.0	18.1	11.4	- 4.2	.31	- 6.1
Mich General ..... A	91.2	3.5	(5.9)	NE	(.53)	NE	91.2	3.5	(5.9)	NE	(.53)	NE
Natl Hardgoods ..... M	6.5	- 3.0	.0	- 100.0	.03	200.0	6.5	- 3.0	.0	- 100.0	.03	200.0
Natl Lumber ..... M	NC	NC	NC	NC	NC	NC	32.6	NC	(.6)	NC	(.10)	NC
Pay N Pak ..... N	105.1	27.1	2.3	9.5	.23	9.5	105.1	27.1	2.3	9.5	.23	9.5
Payless Cash ..... N	428.8	14.1	15.6	20.0	.45	15.4	703.3	11.5	18.0	23.3	.52	18.2
Scotty's Inc ..... N	128.4	5.5	4.1	- 18.0	.28	- 26.3	359.3	7.9	9.7	- 19.2	.67	- 25.6
Sears, Roebuck ..... N	9390.3	7.1	195.3	- 12.5	.52	- 13.3	9390.3	7.1	195.3	- 12.5	.52	- 13.3
Svc Merchandise ..... M	457.1	31.7	(29.2)	NE	(.88)	NE	457.1	31.7	(29.2)	NE	(.88)	NE
Std Brd Pnt ..... N	77.8	- 3.8	3.3	- 31.3	.29	- 32.6	77.8	- 3.8	3.3	- 31.3	.29	- 32.6
Supermkts Gen ..... N	1337.3	10.0	12.3	4.2	.67	1.5	1337.3	10.0	12.3	4.2	.67	1.5
Wickes Cos ..... A	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Wolohan Lumber ..... M	28.1	21.6	(.1)	NE	(.02)	NE	28.1	21.6	(.1)	NE	(.02)	NE
Zayre Corp ..... N	1044.5	32.2	16.7	9.9	.28	3.7	1044.5	32.2	16.7	9.9	.28	3.7
Wholesalers												
Lewis Palmer ..... M	33.8	2.4	.1	NC	.02	NC	33.8	2.4	.1	NC	.02	NC
Manufacturers												
Allegheny Int ..... N	467.2	- 7.3	11.9	133.3	.41	NE	467.2	- 7.3	11.9	133.3	.41	NE
Am Standard ..... N	715.0	6.8	50.2	147.3	1.30	150.0	715.0	6.8	50.2	147.3	1.30	150.0
Armstrng Wrld ..... N	430.9	14.4	22.9	27.9	.95	26.7	430.9	14.4	22.9	27.9	.95	26.7
Black & Decker ..... N	415.1	3.0	1.6	- 89.2	.02	- 93.1	936.8	3.4	22.5	- 48.6	.43	- 50.0
Boise Cascade ..... N	916.6	- 4.3	25.0	- 24.9	.83	- 25.9	916.6	- 4.3	25.0	- 24.9	.83	- 25.9
Certain-teed ..... N	255.0	.8	10.5	28.0	.56	36.6	255.0	.8	10.5	28.0	.56	36.6
Champ Intl ..... N	1122.3	- 31.8	22.0	- 49.8	.20	- 53.5	1122.3	- 31.8	22.0	- 49.8	.20	- 53.5
Clopay Corp ..... A	32.4	11.0	.4	NE	.25	NE	32.4	11.0	.4	NE	.25	NE
DeSoto Inc ..... N	96.8	4.1	2.4	200.0	.51	200.0	96.8	4.1	2.4	200.0	.51	200.0
Emhart Corp ..... N	509.6	21.4	18.0	16.9	.65	16.1	509.6	21.4	18.0	16.9	.65	16.1
Georgia-Pacifc ..... N	1604.0	1.5	30.0	- 38.8	.25	- 41.9	1604.0	1.5	30.0	- 38.8	.25	- 41.9
Insilco Corp ..... N	180.3	- 8.6	6.8	13.3	.34	3.0	180.3	- 8.6	6.8	13.3	.34	3.0
La Pacific ..... N	322.6	19.0	1.4	- 41.7	.04	- 42.9	322.6	19.0	1.4	- 41.7	.04	- 42.9
Macmillan Bloedel ..... M	613.2	13.9	29.2	1023.1	.68	NE	613.2	13.9	29.2	1023.1	.68	NE
Manville Cp ..... N	455.5	5.1	12.0	- 1.6	.24	- 4.0	455.5	5.1	12.0	- 1.6	.24	- 4.0
Masco Corp ..... N	308.0	34.5	45.1	27.0	.35	12.9	308.0	34.5	45.1	27.0	.35	12.9
Mor-Flo Inds ..... M	52.4	.0	.7	- 58.8	.28	- 56.9	52.4	.0	.7	- 58.8	.28	- 56.9
Newell Co ..... N	94.5	18.9	4.1	28.1	.44	25.7	94.5	18.9	4.1	28.1	.44	25.7
Owens Corning ..... N	866.1	27.7	22.9	- 18.2	.77	- 18.9	866.1	27.7	22.9	- 18.2	.77	- 18.9
Ply-Gem ..... A	50.6	24.3	2.0	81.8	.26	30.0	50.6	24.3	2.0	81.8	.26	30.0
Pope & Talbot ..... N	74.1	- 10.8	(.5)	- 100.0	(.09)	- 100.0	74.1	- 10.8	(.5)	- 100.0	(.09)	- 100.0
Potlatch Cp ..... N	233.3	- .6	13.6	18.3	.95	41.8	233.3	- .6	13.6	18.3	.95	41.8
Sherwin-Wms ..... N	502.7	2.2	6.9	21.1	.15	15.4	502.7	2.2	6.9	21.1	.15	15.4
SW Forest Ind ..... N	142.5	- 16.4	(8.0)	NE	(.94)	NE	142.5	- 16.4	(8.0)	NE	(.94)	NE
Stanley Works ..... N	324.2	17.1	14.7	5.0	.53	1.9	324.2	17.1	14.7	5.0	.53	1.9
Thos Inds ..... N	70.8	- 4.2	3.2	.0	.36	5.9	70.8	- 4.2	3.2	.0	.36	5.9
USG Corp ..... N	622.1	5.7	51.7	21.6	.81	26.6	622.1	5.7	51.7	21.6	.81	26.6
Walter, Jim ..... N	NC	NC	(11.5)	- 100.0	(.16)	- 100.0	626.9	- 62.3	38.5	- 47.5	1.26	- 53.2
Waxman Ind ..... M	25.3	23.4	.7	40.0	.23	NE	70.1	14.2	1.8	5.9	.58	- 12.1
Weyerhaeuser ..... N	1306.7	2.4	50.0	30.9	.31	29.2	1306.7	2.4	50.0	30.9	.31	29.2

All data are based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting period
3 mos.—First quarter of fiscal year
6 mos.—First six months of fiscal year
9 mos.—First nine months of fiscal year
Fiscal—Fiscal year
NEW—New report since last issue

Last 52 Weeks

General Field Footnotes
NA—Not available or not applicable
NC—Data required for calculation currently incomplete in our files
NE—Negative earnings invalidate calculations
NM—No meaningful figure
a—Under dividend amount, indicates a stock dividend
b—Indicates cash plus stock dividend when applied to dividend amount column
P/E Ratio—Price/earnings ratio
E.P.S.—Earnings per share

Market
N—New York Stock Exchange
A—American Stock Exchange
O—NASDAQ Over-the-Counter
M—NASDAQ National Market

*Two-week average volume equals the number of shares traded divided by the number of shares outstanding during the latest two-week period. Twelve-week average volume equals the number of shares traded divided by the number of shares outstanding over the previous 12 weeks.

All earnings data and all related calculations using earnings data use primary earnings from total operations and after taxes. Earnings are before extraordinary items, when such items are applicable.

Data and Table Provided by Media General Financial Services Inc., Richmond, Va. 23219